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CONTENTS

25X1

UN: The commemorative portion of the 25th General Assembly opens today. (Page 2)

GOLD MARKET: Free market gold prices have reached their highest level in nearly a year. (Page 3)

USSR: New tank appears (Page 5)

EAST GERMANY - CZECHOSLOVAKIA: Official visit
(Page 5)

WEST GERMANY: Berlin talks (Page 5)

UGANDA: Tensions subside (Page 6)

SOMALIA: Crackdown on dissent (Page 6)

25X1

SECRET

UN: The commemorative portion of the 25th General Assembly opens today beset by a number of substantive problems.

The draft anniversary declaration is causing concern in Western quarters, because it singles out specific areas—the Portuguese territories and South and South-West Africa—where the nonwhite population has been denied basic political rights. The draft implies support for insurgent elements, and if a vote is taken, the Western powers are likely to abstain or oppose the declaration.

The draft guidelines for the Second UN Development Decade, the 1970s, are also a contentious issue. The less developed countries (LDCs) are conducting separate negotiations with the Soviet and Western groups in an effort to reach agreement on the draft. The USSR, which has been wooing the LDCs, has indicated that it would accept the draft if certain anticolonial and disarmament paragraphs are retained. It is expected, however, that a document acceptable to the US will emerge from the present bargaining.

Some forty heads of government are now expected to attend, but the Big Four meeting will not occur since neither Soviet Prime Minister Kosygin nor French President Pompidou is likely to come. The Security Council members probably will hold on 21 October the first of the periodic secret meetings at this level agreed to by the Security Council last June. The idea of these sessions is to permit free discussion of various issues without the glare of publicity.

25X1

14 Oct 70

Central Intelligence Bulletin

2

GOLD MARKET: Free market gold prices have reached their highest level in nearly a year as a result of renewed buying by hoarders and speculators.

Buyers have been quick to react to various international finance officials' predictions of further price increases. This, together with Middle East uncertainties and normal seasonal industrial demand, has pushed the price higher.

Prices, which now are above \$37 an ounce, may continue to rise for another few weeks, but probably will not reach the \$40 level. Agreement with the International Monetary Fund and current large South African balance-of-payments deficits ensure that all newly mined South African gold will be sold on the free market. If necessary to cover foreign exchange needs, South Africa also will sell on the free market from reserves.

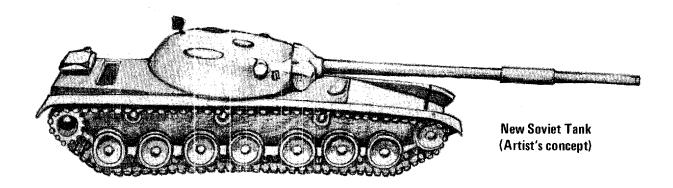
25X1

14 Oct 70

Central Intelligence Bulletin

3

SECRET





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SECRET

NOTES

<u>USSR</u>: The Soviets apparently are field testing a new main battle tank. Photography in a Soviet military magazine of the Dvina exercise last March shows the tanks moving through deep snow. The detail is somewhat obscured by the snow but the tanks most closely resemble the T-62, possibly with changes at least in the turret and suspension. The T-62 first entered service in 1961. If the Soviets have developed a new tank, it may appear in the Moscow Parade on 7 November.

EAST GERMANY - CZECHOSLOVAKIA: East German party chief Walter Ulbricht and Premier Willi Stoph are to make an official visit to Czechoslovakia later this month, possibly from 21 to 24 October. A reliable US Embassy source in Prague views the visit as an effort to "obstruct" the forthcoming Czechoslovak - West German talks, or at least to stiffen the Czech negotiating position. Ulbricht, at a minimum, will press for a go-slow approach. Czechoslovak - West German relations entered a new phase with the arrival yesterday in Prague of a Bonn foreign ministry official for "exploratory talks." Czechoslovak party boss Husak thus appears ready to normalize relations with Bonn and is unlikely to be deterred solely by East German arguments.

WEST GERMANY: Chancellor Brandt has told Ambassador Rush that he sees no reason for "great discouragement" despite the hard line taken by the USSR at the ambassadors' meeting last Friday. He believes the Soviets are engaging in standard pressure tactics and that a tough stand is not "surprising" at this stage. Brandt commented that he is in "no hurry" and that the Berlin talks could go on until next April. Nevertheless, he undoubtedly still hopes for agreement before then, in order to ease his increasing domestic problems.

(continued)

14 Oct 70

Central Intelligence Bulletin

5

SECRET

25X1

25X1

25X1

UGANDA: The recent appearance of Armed Forces Chief of Staff General Idi Amin at public ceremonies suggests that tensions between the military and the government of President Milton Obote have subsided for the moment. Kampala had been tense over rumors that Obote was about to provoke a confrontation with the politically active Amin by attempting to arrest him for his alleged involvement in the murder of a fellow officer last January. Obote, however, appears instead to have neutralized Amin by disbanding an army unit thought to be loyal only to the general and by restructuring the upper echelons of the armed forces to place strict limits on Amin's authority.7

SOMALIA: The military regime continues to crack down harshly on all forms of political dissent and criticism. Since the enactment of a tough internal security law in September, four well-known ex-politicians and diplomats—including the former ambassador to Washington—have been placed under detention. There is no indication at the moment that the four were actually involved in antiregime activity, and they may have been merely talking against the government. All of them, however, are members of prominent tribes that have been strongly opposed to the regime since the coup last year.

(continued)

14 Oct 70

Central Intelligence Bulletin

6

SECRET

25X1

Secret